

I-SEM 2027-28 T-4 Capacity Auction Independent Auction Monitor Report

Commission for Regulation of Utilities (CRU) and the
Northern Ireland Authority for Utility Regulation
(NIAUR)

17th November 2023

AUCTION REPORT - REDACTED

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1. INDEPENDENT ASSURANCE REPORT

This report sets out our conclusions in relation to the monitoring of the processes and procedures followed by the System Operators (EirGrid and SONI Ltd; SOs) in conducting the Capacity Market Auction for the 2027/28 T-4 Capacity Auction, with respect to Capacity Auction Submissions submitted between 19th October 2023 and 10:00 on 26th October 2023, to ensure that it has been correctly carried out in accordance with the SOs' obligations under the Capacity Market Code (CMC).

1.1. SCOPE OF THE REPORT

This report is produced in accordance with the terms of our engagement contract, dated 2nd September 2022, for the purposes of reporting to the Regulatory Authorities (RAs) – the Commission for Regulation of Utilities (CRU) and the Northern Ireland Authority for Utility Regulation (UR) – in connection with CEPA's arrangement as the Capacity Auction Monitor for the I-SEM Capacity Market.

Under the CMC, the SOs have various obligations with respect to qualification for and conducting of the Capacity Auctions. These obligations apply to Capacity Auctions which the SOs are required to satisfy under the CMC. The SEM Committee's decision approving the CMC and its associated procedures are available here:

<https://www.semcommittee.com/news-centre/publication-i-sem-crm-capacity-market-code-decision>

The most up-to-date version of the CMC, and approved and pending modifications, are available here:

<https://www.sem-o.com/rules-and-modifications/capacity-market-modifications/market-rules/>

For this report, we have used version 9.0 of the CMC, which was the most up-to-date version of the CMC available at the time of the 27-28 T-4 Auction.

CEPA's role as the appointed Capacity Auction Monitor for the I-SEM is to provide independent assurance to the market and the Regulatory Authorities (RAs) that the SOs have correctly carried out their obligations under the CMC in respect of qualification for, and running of, the Capacity Auctions, as set out in the Terms of Reference for the Capacity Auction Monitor.²

We monitored the processes and procedures followed by the SOs for the Capacity Auction, as far as possible, in accordance with our Terms of Reference for this engagement. We provide our conclusions (in Section 1.4 below) in relation to compliance with the CMC based on our obligations. This report is provided in accordance with Section B.10.4 of the CMC, which sets out the requirement for the Capacity Auction Monitor to provide a report to the RAs:

- confirming the list of Participants with Capacity Market Units that have been allocated Awarded Capacity;
- stating whether or not the Capacity Auction Monitor considers that the Capacity Auction was conducted in accordance with this Code; and
- identifying any actual or potential non-compliance with the CMC by the SOs.

Note that, except where expressly stated, we did not audit or otherwise verify the information provided to us by the SOs in the course of our work. A separate Capacity Market Auditor is required to be in place under the CMC, with its obligations set out within the Capacity Market Auditor Terms of Reference. For the avoidance of doubt, CEPA would like to make clear that we are a professional economic advisory firm and not professional accountants.

² SEM Committee (2017): 'Capacity Remuneration Mechanism – Terms of Reference for the Capacity Market Auditor and Capacity Auction Monitor', SEM-17-023.

1.2. OUR APPROACH

We developed a set of protocols and analytical tools to monitor the processes and procedures followed by the SOs for the Capacity Auction.

In carrying out our duties, we have followed a system of quality control, professional conduct, and ethical behaviour which we consider to be of a standard at least as demanding as that required by ISAE 3000 (Revised). This includes documented policies and procedures related to our monitoring activities, leadership responsibilities for quality control in the firm, independence and ethical requirements and management of human resources.

We have performed our work as the appointed Capacity Auction Monitor based on our fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

1.3. INHERENT LIMITATIONS

Our conclusions are based on historical information. The projection of any information or conclusions in the attached report to any future periods would be inappropriate.

Our examination excludes audit procedures and accordingly we do not express an audit opinion on the information. We note that the procedures we performed were not designed to and are not likely to reveal fraud.

An outline of the work we performed for the Capacity Auction is included in Appendix A.

1.4. CONCLUSIONS

Our conclusions in this report reflect reasonable assurance in relation to the T-4 Capacity Auction for the 2027/28 Capacity Year.

We believe that the procedures performed, and the evidence obtained, provide us with a reasonable basis that, except for the matters described in Section 4 of our report, the Capacity Auction was conducted by the SOs in accordance with the requirements of the CMC.

Actual and potential instances of non-compliance are summarised in Section 4.

1.5. USE OF THE REPORT

This report has been prepared for the exclusive use of the RAs in accordance with the scope of our engagement contract and the RAs' Terms of Reference for the Capacity Auction Monitor.

Our work has been undertaken solely for the purpose of assessing that the SOs have correctly carried out the obligations placed on them under the CMC in carrying out the Capacity Auction. Our work was not planned or conducted with any other objective in mind, and so cannot be relied on for any other purpose. With the exception of providing it to the RAs and the SOs, and publishing it on the SEM Committee website, our report is not to be recited or referred to in any document, copied or made available (in whole or part) to any person without our prior written consent. To the fullest extent permitted by law, CEPA does not accept or assume responsibility to anyone, other than the RAs, for this report or for the conclusions we have formed.

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2. BACKGROUND AND CONTEXT

2.1. BACKGROUND

In the I-SEM Capacity Market, capacity providers sell qualified capacity to the market to meet the capacity requirement in a future capacity year. Capacity providers that are successful in the Capacity Auction receive a regular capacity payment that assists with funding generation capacity and, in return, they have an obligation to generate when the system is stressed.

The operation of the Capacity Market and the roles and responsibilities of the market operator – split jointly between the SOs and the Single Electricity Market Operator (SEMO) – are governed by the CMC and the Trading and Settlement Code.

2.2. OUR ROLE AS CAPACITY AUCTION MONITOR

The Terms of Reference for the Capacity Auction Monitor state that:

“The purpose of the Capacity Auction Monitor is to provide independent assurance to the market and the Regulatory Authorities that the System Operators’ are correctly carrying out their obligations under the Capacity Market Code in respect of qualification for and running of Capacity Auctions.”

As Capacity Auction Monitor, we are required to produce a Report on the Capacity Auction, within two Working Days after the SOs have released provisional Capacity Auction Results to Participants, that:

- confirms the list of Participants with Capacity Market Units that have been allocated Awarded Capacity;
- states whether or not the Capacity Auction Monitor considers that the Capacity Auction was conducted in accordance with the CMC; and
- where applicable, identifies any actual or potential non-compliance with the CMC or other actual or potential irregularity in the conduct of the Capacity Auction, together with the Capacity Auction Monitor’s assessment as to the likely consequences of the actual or potential non-compliance or irregularity.

This report summarises our findings in relation to the Capacity Auction run by the SOs on 26th October 2023.

2.3. OBJECTIVES AND SCOPE

The CMC paragraph B.10.2.1 sets out that:

“The Capacity Auction Monitor shall monitor the processes and procedures followed by the System Operators in carrying out the Qualification Process, conducting Capacity Auctions and related activities under this Code, in accordance with the terms of reference determined by the Regulatory Authorities.”

The basic tasks set out for the Capacity Auction Monitor are:

- monitoring the Qualification Process to ensure that the SOs have complied with the CMC;
- being present at the auctions, with full read access to all key software, including access to all bids and all communications between the SOs and all bidders;
- monitoring the application of algorithms and calculations;
- reporting on whether it considers that the SOs have conducted the Capacity Auction in accordance with the CMC;
- identifying any actual or potential breach of the rules and regulations or other actual or potential irregularities in the conduct of the Capacity Auction by the SOs and an assessment of the consequences; and

- making recommendations on the changes to the CMC, Auction Guidelines and User Guides.

As Capacity Auction Monitor, we are required to report on all issues that we identify, irrespective of materiality.

The scope of the Capacity Auction Monitor's assurance activities shall relate to the System Operators' activities relating to qualification through to the determination of the final auction results under the Code.

2.4. SCOPE EXCLUSIONS

In line with our Terms of Reference, the scope of our review excluded the following:

- Secondary trading market (referenced specifically within Chapter H of the CMC).
- Direct investigation of market manipulation: However, the Terms of Reference states that the Capacity Auction Monitor should bring any incidents of potential market manipulation to the attention of the RAs, should it come across them in carrying out its duties.
- The determination of the LCCs and their underlying methodology: The Capacity Auction Monitor's scope in relation to LCCs is limited to assessing compliance by the SOs with the methodology for determining LCCs, including accordance with relevant procedures and process documentation.
- Auditing of the processes carried out by the SOs: The CMC requires a Capacity Market Auditor to be appointed separately from the Capacity Auction Monitor. Under our Terms of Reference, we are not required to carry out an audit of the processes followed, or information provided, by the SOs in running the auction.
- Monitoring of compliance with obligations of Section L.7 of the CMC regarding SO reporting of REMIT Data on behalf of Participants.

2.5. PROVISIONAL QUALIFICATION RESULTS

The SOs published an initial version of the PQRs to Participants on 26th June 2023. Upon receiving the PQRs, the Monitor undertook an initial review of the PQRs notified to Participants and identified a significant number of issues.

On 18th August 2023, the SOs issued the Monitor and the RAs with a revised set of PQRs for the 2027/28 Qualification process (the 'revised PQRs'), which corrected for many of the issues identified in the initial version of the PQRs. The Monitor and the SOs consider that the revised PQRs better reflect the outcome of the Qualification process compared to the initial PQRs.

For the remainder of this report, any reference to the Provisional Qualification Results or PQRs should be understood to refer to the revised PQRs, unless otherwise stated.

3. AUCTION RESULTS

The Capacity Auction Submission Commencement date for the T-4 Auction was 19th October 2023; the SOs emailed Participants at 10:35 to inform them that the auction gate had opened at 10:00 as planned. The Capacity Auction Submission End took place at 10:00 on 26th October 2023.

Capacity Auction Run Start was scheduled for 12:00 on 26th October 2023. The Auction Run was initiated at this time and was completed within a minute of initiation. The auction clearing process was completed within the 24-hour Allowed Timeframe.

The Capacity Auction was run using the Capacity Market Platform (CMP) version 3.3.2.1, according to information displayed in the CMP.

In line with the Final Auction Information Pack (FAIP), the parameters of the Demand Curve used in the 2027/28 T-4 Auction are set out in Table 3.1.

Table 3.1: Final Demand Curve used in the Capacity Auction, same as in FAIP 2027/28 T-4 Table 1

De-Rated Capacity (MW)	Demand Curve Point (€/MW per year)
0	163,757
4,732	163,757
5,275	109,171
6,360	0

The minimum capacity needed to satisfy the LCCs were as set out in Table 3.2.

Table 3.2: LCCs and minimum MW required, same as in FAIP 2027/28 T-4 Table 4

LCC Area 1 Name	Required Quantity	LCC Area 2 Name	Minimum MW
L1-1: Northern Ireland	2,374		
L1-2: Ireland	7,735	L2-1: Greater Dublin	2,207
		L2-2: Rest of Ireland	1,587

In addition to the above, a Maximum Quantity of 2,423.376 (MW) applied for the L2-1: Greater Dublin area.

There was a total of 235 qualified CMUs. Of these 235 qualified CMUs, 120 CMUs had a non-zero Net Firm Offer Requirement. Of these 120:

- 90 had Existing Capacity with a non-zero Firm Offer Requirement, of which 73 had only Existing Capacity available to offer, and 17 had both Existing and New Capacity available to offer into this Capacity Auction. These units were required to submit an offer into the auction.
- There were a further 30 CMUs that had a non-zero Firm Offer Requirement comprising only New Capacity, and therefore (under CMC F.2.1.1) these CMUs were not required to submit an offer.

There was a total of 156 offers submitted by 111 qualified CMUs in this Capacity Auction. 146 offers were submitted directly by the relevant Participants, with 10 offers being automatically generated by the CMP.

A total of 5469.723 MW cleared in the auction, with 111 CMUs being awarded all their offered capacity.

The Auction Clearing Price was determined in accordance with CMC F.8.3. The Price Setting Offer was an Inflexible offer cleared at €106,666.67/MW per year (£100,000/MW per year). This is higher than the Existing Capacity Price Cap (€54,586.00/£50,284.62 per MWh). In total, [3<] offers were cleared at the Auction Clearing Price.

For the determination of the Auction Clearing Price, [3<] offers were scheduled. The offered quantity scheduled at the Auction Clearing Price was not sufficient to meet the LCC Required Quantities to be awarded in this Auction for L1-1:

Northern Ireland or L1-2 Ireland, (but the L2-1 Greater Dublin requirement was exceeded by [X] MW and L2-2: Rest of Ireland requirement was exceeded by [X] MW). As the L1-1: Northern Ireland and L1-2: Ireland Required Quantities were not met, additional offers needed to clear out of merit. As a result, [X] remaining offers were cleared at their respective offer prices up to the Auction Price Cap of €163,757.00/MW per year. Of these [X] offers, [X] were for New Capacity and [X] were from clean units.

Total Awarded Capacity, LCC Required Quantity, and the shortfall between the two is summarised in Table 3.3 below.

Table 3.3: Constraint status in the auction solution

	L1-1: Northern Ireland	L1-2: Ireland	L2-1: Greater Dublin	L2-2: Rest of Ireland
Previously Awarded Capacity (MW) ³	910.771	3006.317	991.566	2,014.751
Capacity Cleared in T-4 Auction (MW)	1,440.584	4,029.139	1,410.474	2,618.665
Total Awarded Capacity (MW)	2,351.355	7,035.456	2,402.040	4,633.416
LCC Required Quantity (MW)	2,374.000	7,735.000	2,207.000	1,587.000
Shortfall between Required Quantity and Awarded Capacity (MW)	22.645	699.544	0.000	0.000

Some offers that are scheduled in the determination of the Auction Clearing Price may be 'removed' in the Auction Solution. In this Capacity Auction, none of the offers scheduled in the unconstrained solution were 'removed' in the constrained solution.

Table 3.4 shows the relevant quantities of the above offers, as well as a summary of all changes between the unconstrained and constrained solutions.

Table 3.4: Changes between the determination of the Auction Clearing Price and the Auction Solution for units where there was a change.

CMU ID	Capacity type(S) offered by this CMU	LCC Level 1	LCC Level 2	Offered Quantity (MW)	Cleared Q during Auction Clearing Price determination (MW)	Cleared Q in Auction Solution (MW)	Difference (MW)
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]

³ From multi-year contracts cleared in previous capacity market auctions.

CMU ID	Capacity type(S) offered by this CMU	LCC Level 1	LCC Level 2	Offered Quantity (MW)	Cleared Q during Auction Clearing Price determination (MW)	Cleared Q in Auction Solution (MW)	Difference (MW)
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
Total							[X]

3.1. CMUs PROVISIONALLY AWARDED CAPACITY IN THIS CAPACITY AUCTION

Based on the outcome of the T-4 Auction, Table 3.5 lists the participants and corresponding CMUs that have been awarded capacity.

Table 3.5: List of participants and CMUs provisionally awarded capacity in the T-4 Capacity Auction for the Capacity Year 2027/28

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
Aughinish Alumina Ltd	PY_000024	PT_400024	GU_400120	Autoproducer	L1-2: Ireland	L2-2: Rest of Ireland	Existing	55.900
Aughinish Alumina Ltd	PY_000024	PT_400024	GU_400121	Autoproducer	L1-2: Ireland	L2-2: Rest of Ireland	Existing	55.900
Aughinish Alumina Ltd	PY_000024	PT_400024	DSU_403790	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	New	15.025
BBESS Ltd	PY_034169	PT_502554	GU_504210	Other Storage	L1-1: Northern Ireland	N/A	New	2.352
Bord Gais ROI	PY_000027	PT_400028	GU_400930	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	334.776
Contourglobal Solutions (Northern Ireland) Limited	PY_000081	PT_500048	GU_500904	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	5.340
Data and Power Hub Services Limited	PY_034087	PT_402571	GU_404220	Gas Turbine	L1-2: Ireland	L2-1: Greater Dublin	New	50.000
Dublin Waste to Energy Supply Limited	PY_000152	PT_400198	GU_402030	Steam Turbine	L1-2: Ireland	L2-1: Greater Dublin	Existing	44.957
EIRGRID INTERCONNECTOR DESIGNATED ACTIVITY COMPANY	IO_EIDAC	IO_EIDAC	I_ROIEWIC	Interconnector	L1-2: Ireland	L2-2: Rest of Ireland	Existing	254.000
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_503460	Demand Side Unit	L1-1: Northern Ireland	N/A	Both existing and new	4.431
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403870	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	New	7.284
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403840	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	New	7.284
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403640	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Both existing and new	2.549

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403630	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Both existing and new	2.456
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403560	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Both existing and new	18.838
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_401400	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Both existing and new	5.374
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_402090	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Both existing and new	12.140
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_401870	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Both existing and new	17.568
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403730	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	New	6.373
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_402120	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	7.518
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_403520	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	8.327
Electricity Exchange DAC t/a VIOTAS	PY_000114	PT_400116	DSU_402100	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	6.256
Empower Generation Limited	PY_000111	PT_500073	GU_501230	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	11.362
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_400133	DSU_401910	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	7.739
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_400133	DSU_401530	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	6.200
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_400133	DSU_402180	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	2.490
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_400133	DSU_403690	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	0.617
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_400133	DSU_403590	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	0.582
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_500099	DSU_501460	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	2.705
Endeco Technologies Limited t/a GridBeyond	PY_000126	PT_500099	DSU_503650	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	0.802

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
Energia Power Generation Limited	PY_000044	PT_400044	GU_400540	Gas Turbine	L1-2: Ireland	L2-1: Greater Dublin	Existing	308.000
Energy Trading Ireland Limited	PY_000113	PT_500067	DSU_501510	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	3.049
Energy Trading Ireland Limited	PY_000113	PT_500067	DSU_501380	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	2.479
Energy Trading Ireland Limited	PY_000113	PT_500067	DSU_501590	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	2.778
Energy Trading Ireland Limited	PY_000113	PT_500067	DSU_501600	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	3.152
Energy Trading Ireland Limited	PY_000113	PT_400111	DSU_403620	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	2.866
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403450	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	2.895
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_401610	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	7.565
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_401270	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	8.775
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_401800	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	1.902
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403470	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	2.005
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403030	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	2.053
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_401620	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	2.039
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403120	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	1.276
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403040	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	2.057
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403050	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	1.978
EnerNOC Ireland Ltd	PY_000088	PT_500098	DSU_501450	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	1.073

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403080	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	0.190
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_403020	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	1.946
EnerNOC Ireland Ltd	PY_000088	PT_400090	DSU_401850	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	1.927
EP BALLYLUMFORD LIMITED	PY_000056	PT_500040	GU_500284	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	49.594
EP BALLYLUMFORD LIMITED	PY_000056	PT_500040	GU_500283	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	49.594
EP BALLYLUMFORD LIMITED	PY_000056	PT_500040	GU_503720	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	202.129
EP BALLYLUMFORD LIMITED	PY_000056	PT_500040	GU_503730	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	202.129
EP BALLYLUMFORD LIMITED	PY_000056	PT_500040	GU_503740	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	83.448
EP KILROOT LIMITED	PY_000070	PT_500045	GU_500821	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	35.993
EP KILROOT LIMITED	PY_000070	PT_500045	GU_500820	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	35.993
EP KILROOT LIMITED	PY_000070	PT_500045	GU_500824	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	25.579
EP KILROOT LIMITED	PY_000070	PT_500045	GU_500825	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	25.579
ESB	PY_000030	PT_400030	CAU_400301	Hydro	L1-2: Ireland	L2-2: Rest of Ireland	Existing	193.817
ESB	PY_000030	PT_400033	CAU_400302	Wind	L1-2: Ireland	L2-2: Rest of Ireland	Existing	2.592
ESB	PY_000030	PT_400030	GU_400362	Pumped Hydro Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	27.010
ESB	PY_000030	PT_400030	GU_400360	Pumped Hydro Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	27.010
ESB	PY_000030	PT_400030	GU_400361	Pumped Hydro Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	27.010

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
ESB	PY_000030	PT_400030	GU_400324	Gas Turbine	L1-2: Ireland	L2-1: Greater Dublin	Both existing and new	197.280
ESB	PY_000030	PT_400030	GU_400325	Gas Turbine	L1-2: Ireland	L2-1: Greater Dublin	Both existing and new	193.992
ESB	PY_000030	PT_400030	GU_400363	Pumped Hydro Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	27.010
ESB	PY_000030	PT_400030	GU_400850	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	327.592
ESB	PY_000030	PT_400030	GU_400182	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	77.130
ESB	PY_000030	PT_400030	GU_400183	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	77.130
ESB	PY_000030	PT_500024	GU_500041	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	45.205
ESB	PY_000030	PT_400037	GU_400500	Gas Turbine	L1-2: Ireland	L2-1: Greater Dublin	Existing	317.060
ESB	PY_000030	PT_500024	GU_500040	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	319.578
Greenlink Interconnector Limited	PY_034142	PT_402612	GU_405200	Interconnector	L1-2: Ireland	L2-2: Rest of Ireland	New	34.776
Hazelboro Limited	PY_034166	PT_402628	GU_406220	Solar	L1-2: Ireland	L2-2: Rest of Ireland	New	5.400
Hazelboro Limited	PY_034166	PT_402628	GU_405910	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	New	13.100
Huntstown Power Company	PY_000033	PT_400035	GU_400480	Gas Turbine	L1-2: Ireland	L2-1: Greater Dublin	Existing	269.154
Indaver Energy Limited	PY_000101	PT_400087	GU_401230	Steam Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	12.767
iPower Solutions Ltd	PY_000093	PT_500053	GU_501130	Gas Turbine	L1-1: Northern Ireland	N/A	Existing	49.133
iPower Solutions Ltd	PY_000093	PT_500053	DSU_503450	Demand Side Unit	L1-1: Northern Ireland	N/A	New	12.140
iPower Solutions Ltd	PY_000093	PT_402574	DSU_403650	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	New	12.140

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
iPower Solutions Ltd	PY_000093	PT_500053	DSU_503420	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	2.889
iPower Solutions Ltd	PY_000093	PT_500053	DSU_503480	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	3.205
Moyle Interconnector Limited	IO_MOYLE	IO_MOYLE	I_NIMOYLE	Interconnector	L1-1: Northern Ireland	N/A	Existing	231.750
Orsted Ireland Green Energy Limited	PY_000068	PT_400062	CAU_400502	Wind	L1-2: Ireland	L2-2: Rest of Ireland	Existing	5.124
Powerhouse Generation Limited	PY_000128	PT_400144	DSU_401660	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	0.874
Powerhouse Generation Limited	PY_000128	PT_500078	DSU_501560	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	4.109
Powerhouse Generation Limited	PY_000128	PT_500078	DSU_501330	Demand Side Unit	L1-1: Northern Ireland	N/A	Existing	0.874
Powerhouse Generation Limited	PY_000128	PT_500078	GU_504000	Gas Turbine	L1-1: Northern Ireland	N/A	New	17.640
Powerhouse Generation Limited	PY_000128	PT_400144	DSU_403500	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	New	5.426
Ronaver Energy Limited	PY_000194	PT_400460	GU_403000	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	1.780
Shannonbridge Power Limited	PY_034099	PT_402580	GU_404380	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	3.000
Shannonbridge Power Limited	PY_034099	PT_402580	GU_404390	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	3.000
Slievareagh Power (CS) Ltd	PY_000065	PT_400057	GU_406440	Wind	L1-2: Ireland	L2-2: Rest of Ireland	Existing	0.281
SSE Airtricity Limited	PY_000021	PT_400021	CAU_400500	Wind	L1-2: Ireland	L2-2: Rest of Ireland	Existing	20.411
SSE Generation Ireland Limited	PY_000071	PT_400064	GU_400762	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	346.608
SSE Generation Ireland Limited	PY_000071	PT_400064	GU_400770	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	44.600
SSE Generation Ireland Limited	PY_000071	PT_400064	GU_400771	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	44.600

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	LCC Level 2	Capacity Type	Quantity Scheduled (MW)
SSE Generation Ireland Limited	PY_000071	PT_400064	GU_400780	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	44.772
SSE Generation Ireland Limited	PY_000071	PT_400064	GU_400781	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	44.772
Statkraft Markets GmbH	PY_034046	PT_402540	GU_405070	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	3.046
Statkraft Markets GmbH	PY_034046	PT_502514	GU_503960	Other Storage	L1-1: Northern Ireland	N/A	Existing	2.250
Statkraft Markets GmbH	PY_034046	PT_502514	GU_503950	Other Storage	L1-1: Northern Ireland	N/A	Existing	2.250
Statkraft Markets GmbH	PY_034046	PT_402540	GU_404520	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	1.187
Statkraft Markets GmbH	PY_034046	PT_402540	GU_404010	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	Existing	0.497
Statkraft Markets GmbH	PY_034046	PT_402540	GU_404900	Other Storage	L1-2: Ireland	L2-2: Rest of Ireland	New	3.101
Statkraft Markets GmbH	PY_034046	PT_402540	GU_404510	Other Storage	L1-2: Ireland	L2-1: Greater Dublin	Existing	0.896
TYNAGH ENERGY LIMITED	PY_000041	PT_400041	GU_400530	Gas Turbine	L1-2: Ireland	L2-2: Rest of Ireland	Existing	308.000
Veolia Alternative Energy Ireland Limited	PY_000122	PT_400124	DSU_401880	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	17.435
Veolia Alternative Energy Ireland Limited	PY_000122	PT_400124	DSU_401490	Demand Side Unit	L1-2: Ireland	L2-2: Rest of Ireland	Existing	4.967
Veolia Alternative Energy Ireland Limited	PY_000122	PT_400124	DSU_403660	Demand Side Unit	L1-2: Ireland	L2-1: Greater Dublin	Existing	5.165

4. SUMMARY OF ISSUES IDENTIFIED WITH THE CAPACITY AUCTION PROCESS

We performed our role as Capacity Auction Monitor in relation to the 2027/28 T-4 Capacity Auction, which took place on 26th October 2023, in line with our obligations to monitor the conduct of the SOs in operating the Capacity Auctions. In Section 4.1, we summarise the identified instances of non-compliance within the areas of the CMC that are in the Monitor’s scope, before presenting some additional considerations in Section 4.2.

4.1. SUMMARY OF ISSUES

In carrying out our duties, we identified 12 issues that we consider constitute non-compliance with the CMC, noting our obligation to report all issues to the RAs irrespective of materiality. The table below sets out a high-level summary of actual or potential instances of non-compliance identified within the Capacity Auction process. Detailed issue logs are included in Appendix B.

Table 4.1: Summary of issues identified within the Capacity Auction process⁴

Issue Log	Description
IL016	The SOs did not include the ‘final Capacity Auction Threshold for the Capacity Auction in the Final Auction Information Pack, as is required under CMC F.5.1.3.
IL017	Initial Capacity Existing (ICE) is not equal to the value submitted by the participant in the Application for Qualification (AfQ) for one generator unit in the Final Qualification Results (FQRs). In addition, Initial Capacity New (ICN) is not equal to the values submitted by the participant in the AfQ for one generator unit in the FQRs.
IL018	In the FQRs, [X] Generator Units based in Ireland had Offer Price Caps in pounds instead of euros. In addition, [X] Generator Units with Unit Specific Price Caps approved by the RAs were not accurately captured in the FQRs. These errors were corrected before the impacted units submitted bids; so there was no impact on the Auction.
IL019	Section E.7.8 of the CMC outlines the Alternative Qualification Process (AQP) which the SOs are to apply under certain circumstances. In the FQRs, the SOs have applied this process in some instances not in accordance with CMC E.7.8.2.
IL021	There were a number of changes between Provisional Qualification Decisions and Final Qualification decisions, for which the reasons were not explained to Participants through the FQRs, as is required by CMC E.9.4.11.
IL022	CMC F.4.1.4 requires the SOs to make certain determinations for each Locational Capacity Constraint under paragraph F.4.1.1, based on the Provisional Qualification Decisions (PQDs), and submit those values to the RAs no later than two Working Days after the PQR date. The SOs did not make these determinations at the PQR stage.
IL024	CMC Section C.3 sets out the approach to calculating Initial Capacity. For several CMUs, the value of Initial Capacity in the FQRs does not align with the values calculated through the application of the formula outlined in this section of the CMC.
IL025	CMC Section E.8.2 sets out the approach to calculating Gross De-Rated Capacity (Existing). For several Generator Units, the value of Gross De-Rated Capacity (Existing) in the FQRs does not align with the values calculated through the application of the formula outlined in this section of the CMC.

⁴ Issue numbers are assigned to potential instances of non-compliance as they are identified. Issue numbers missing from the table (e.g., Issue 020) may reflect issues investigated as part of the Monitor’s Qualification Report for this Auction or may reflect issues that have been investigated and determined not to represent non-compliance with the CMC.

Issue Log	Description
IL026	CMC Section E.8.2 sets out the approach to calculating Gross De-Rated Capacity (New). For [3<] Generator Units, the value of Gross De-Rated Capacity (New) in the FQRs does not align with the values calculated through the application of the formula outlined in this section of the CMC.
IL027	CMC Sections E.8.2.7 and E.8.2.8 provide the formulas to be used in the determination of Gross De-Rated Capacity (Existing) and Gross De-Rated Capacity (New) of Aggregated Generator Units. For several Aggregated Generator Units, the Gross De-Rated Capacity values within the FQRs do not align with the values calculated through the application of the formulas outlined in this section.
IL028	CMC E.9.3.3 and E.9.3.5 describe the procedures which must be undertaken by the System Operators in responding to Participants' Applications for Review. In several cases, either the application was incorrectly accepted, or the SOs did not respond by the date specified in the Capacity Auction Timetable.
IL029	CMC E.8.2.2 sets out a formula for how the SOs should determine the Gross De-Rated Capacity (Existing) (GDRCE) of a Variable Generator Unit which is not an Aggregated Generator Unit. There are several instances where the GDRCE calculated as per the formula set out in this code differs from the values included in the Final Qualification Decisions (FQDs) to three decimal places.

4.2. FURTHER CONSIDERATIONS

This sub-section contains comments and observations that we believe do not represent non-compliance with the CMC, but we consider it appropriate to summarise for the RAs' attention.

4.2.1. LCC Net Maximum Quantity

Version 8 of the Capacity Market Code published on 9th December 2022 introduced a new requirement for the SOs to set the maximum level of de-rated capacity that satisfies each LCC area. This new requirement is set out in a number of code items, including:

- CMC C.2.2.2 (c) requires that the SOs determine for each LCC area the "minimum and maximum de-rated capacity quantity that is required to satisfy the Locational Capacity Constraint, where the maximum de-rated capacity quantity shall be not less than the minimum de-rated capacity quantity."
- CMC F.4.1.1 (g) requires that the SOs determine the "maximum de-rated capacity quantity that can be cleared under the Locational Capacity Constraint" for each LCC.

In the FAIP for this auction, for the first time the SOs included a Maximum Quantity for one LCC; L2-1: Greater Dublin. For the other LCCs, the Maximum Quantities have not been implemented; in practice, the SOs established a Maximum Quantity for these LCCs equal to a default value of 20,000 MW, which is not expected to bind.

In addition, CMC F.8.2.1 (b) (i2) requires the SOs to determine the Net Maximum Quantity that will apply to each LCC in the Capacity Auction. The SOs did not determine this value for those LCCs where the 20,000 MW default value for Maximum Quantity was applied; namely for the L1-1: Northern Ireland and L2-2: Rest of Ireland LCCs.

Finally, we note that the SOs did not share with us their intermediate calculations of the LCC Maximum Quantities, only the final Maximum Quantity values. The SOs are required to calculate Minimum and Maximum Quantities in line with F.4.1.1. The SOs' previous approach has been to share intermediate calculations for all values that are required under CMC F.4.1.1 with the RAs. The SOs provided this calculation file for the Minimum values, but they did not share the calculation of the Maximum values. While the SOs have confirmed with us that they followed all CMC requirements when calculating the LCC Maximum Quantity values, we consider that the intermediate calculations for these values should be shared with the RAs in future auctions.

4.2.2. Rounding of Published Quantities

CMC paragraph L.5.4.1 requires the SOs to use consistent numerical rounding of all published quantities.

We note that a number of values in the FAIP and CAT for 2027/28 T-4 are reported to a smaller number of decimal places. In addition, a number of values in the Auction Results displayed on the CMP are also reported to a smaller number of decimal places for MW values.

Instances where the SOs have published values to fewer decimal places do not necessarily constitute non-compliance, as applying the convention of dropping zeros after the decimal point if not followed by non-zero values is a consistent approach, but could cause ambiguity.

We also raised this in our 2023/24 T-1 Auction Report. To rule out ambiguity and to align with the CMC, the SOs should consider publishing values to the specified number of decimal places for all published documents going forward.

4.2.3. Decisions on Application for Review

CMC E.9.3.6 states that the SOs must include in their response under paragraph E.9.3.5 their reasons for the outcome of their reconsideration, and make any amendments to the Qualification Capacity Register required by, or a consequence of, the reconsideration. The SOs provided a response to all Participants who submitted an Application for Review, which included an explanation for their decision. However, we found that in some instances the explanation provided did not clearly address each part of the query raised by the Participant.

For example, for one AGU, a number of values for several generator units were queried. The SOs provided a high-level response that did not clearly address each part of the Participant's query. In this Application for Review, the Participant queried the New Nominated De-rated Capacity values for two generator units, which were responded to and changed. However the Participant also queried the Gross Firm Offer Requirement and Minimum Firm Transmission Capacity of these two units. The SOs did not change these values as they were already correctly captured in the Provisional Qualification Results, but they failed to provide an explanation.

Going forward, the SOs could provide more detail in their response under E.9.5.3, addressing each part of the Participant's Application for Review.

4.2.4. Delay in publication of Final Qualification Decisions

CMC E.9.4.4 states that *the System Operators shall use reasonable endeavours to submit the Final Qualification Decisions (FQDs) in accordance with paragraph E.9.4.3 on or before the Final Qualification Submission Date specified in the applicable Capacity Auction Timetable (CAT)*. In this case, CAT (v1.3) specified 14th September 2023. The SOs submitted the FQDs to RAs on 18th September 2023, two working days late.

CMC E.9.4.10 states that *the System Operators shall give a notification under paragraph E.9.4.9 by the later of the Final Qualification Results Date specified in the applicable Capacity Auction Timetable and a date being two Working Days after the Regulatory Authorities (RAs) have approved (or are deemed to have approved pursuant to paragraph E.9.4.7) the Final Qualification Decisions in respect of the relevant Capacity Auction*.

In addition, CMC E.9.5.1 states that *the System Operators shall use reasonable endeavours to publish the Final Qualification information on or before the Qualification Results Publication Date specified in the applicable Capacity Auction Timetable*. The date in the CAT (v1.3) was 5th October 2023, and the RAs approved the FQDs on 2nd October 2023.

The later of the two dates (as under CMC E.9.4.10) was the date in the CAT (v1.3), the 5th October 2023. The SOs published the FQDs on 6th October 2023, one working day late.

The SOs explained the reason for the delay was due to extended discussions between the SOs and RAs around finalising the FQDs.

[✂]

Upon review of the SOs' explanation regarding the FQRs publication delay, the Monitor is unable to conclude non-compliance with E.9.4.4. We do not have sufficient evidence to conclude that "reasonable endeavours" were not used but consider it appropriate to note in this report.

4.2.5. Chapter L: Data and information systems

Chapter L of the CMC sets out the SOs' requirements in relation to data and information systems, including communication between the SOs and the Participants, any system failures which affect the qualification or auction processes, as well as publication of auction data in relation to the qualification or auction process.

We do not monitor all communications between the SOs and the Participants, but rather rely primarily on the SOs and RAs to notify us when issues arise. Based on the information received to date, we did not identify any issues in relation to Chapter L.

Appendix A SUMMARY OF WORK PERFORMED

We undertook a site visit for the day of Capacity Auction Submission End and Capacity Auction Run Start. This was on the 26th October 2023 at the System Operators' premises at The Oval, Shelbourne Road, Dublin.

The areas of the Code checked at the time of issuing this report are outlined in the table below. The table also outlines any CMC Modifications approved by the RAs, that were in effect at the time of the Auction.

Table A.1: Summary of CMC sections checked by the Monitor in preparing this report

CMC Chapter	CMC Subsection	CMC Paragraph
C. De-Rating and Capacity Concepts	C.2 Locational Capacity Constraints	C.2.1.2
	C.2 Locational Capacity Constraints	C.2.2.2
	C.2 Locational Capacity Constraints	C.2.3.1
	C.2 Locational Capacity Constraints	C.2.3.2
	C.3 Initial Capacity	C.3.2.1
	C.3 Initial Capacity	C.3.2.3
	C.3 Initial Capacity	C.3.5.1
D. Pre-Capacity Auction Process	D.2 Capacity Auctions and Timetables	D.2.1.5
		D.2.1.9
		D.2.1.10
		D.2.1.11
		D.2.1.14
		D.2.1.16
		D.2.1.17
E. Qualification	E.1 Purpose of Qualification Process	E.1.1.4
	E.4 Application for Qualification	E.4.1.8
	E.5 Exception Applications	E.5.1.9
	E.8 Qualification Calculations	E.8.1.1
		E.8.1.2
		E.8.1.3
		E.8.2.1
		E.8.2.2
		E.8.2.4
		E.8.2.5
		E.8.2.7
		E.8.2.8
		E.8.3.1
		E.8.4.1
		E.8.5.1
		E.8.5.2
		E.8.6.1
		E.8.7.1
		E.8.8.2
	E.8.8.3	
E.8.9.1		
E.8.9.2		
E.9 Notification of Qualification Decisions	E.9.3.3	
	E.9.3.5	
	E.9.3.6	

CMC Chapter	CMC Subsection	CMC Paragraph		
E. Qualification	E.9 Notification of Qualification Decisions	E.9.4.1		
		E.9.4.2		
		E.9.4.3		
		E.9.4.4		
		E.9.4.9		
		E.9.4.10		
		E.9.4.11		
		E.9.5.1		
		F. Capacity Auctions	F.1 General	F.1.2.2
			F.2. Capacity Auction Participation	F.2.1.1
F.3 Demand Curve	F.3.1.1			
	F.3.1.2			
	F.3.1.6			
F.4 Determination of Locational Capacity Constraints for a Capacity Auction	F.3.1.7			
	F.4.1.1			
	F.4.1.2			
	F.4.1.4			
	F.4.1.5			
	F.4.1.6			
	F.4.1.7			
F.5 Publication of Final Auction Information Pack	F.5.1.1			
	F.5.1.2			
	F.5.1.3			
F.6 Capacity Auction Submissions	F.6.1.1			
	F.6.2.1			
F.7 Capacity Auction Offers	F.7.1.1			
	F.7.1.2			
	F.7.1.3			
F.8 Conduct of Capacity Auction	F.8.1.1			
	F.8.2.1			
	F.8.2.2			
	F.8.2.3			
	F.8.3.2			
	F.8.3.3			
	F.8.3.4			
	F.8.3.5			
	F.8.4.2			
	F.8.4.3			
	F.8.4.4			
	F.8.4.5			
	F.8.4.6			
	F.8.4.7			
	F.8.5.1			
F.8.6.1				
F.9 Capacity Auction Results	F.9.1.1			
	F.9.2.1			
	F.9.3.1			

CMC Chapter	CMC Subsection	CMC Paragraph
K. Exchange Rates	K.2 Methodology	K.2.1.6
L. Data and Information Systems	L.2 Methodology	L.2.2.2
		L.2.3.1
		L.2.4.3
		L.2.4.4
		L.2.5.1
		L.2.5.2
		L.2.5.3
		L.2.5.4
		L.2.5.5
		L.3 Submission, Validation and Rejection of Data Transactions
	L.3.1.3	
	L.3.1.6	
	L.3.1.7	
	L.4 Communications Failures	L.3.1.8
		L.4.2.1
		L.4.2.3
		L.4.3.1
		L.4.3.3
		L.4.3.4
		L.4.4.2
L.4.4.3		
L.5 Data Publication	L.5.4.1	
Modifications in Effect		CMC_07_23
		CMC_15_23
		CMC_17_23

Appendix B **SUMMARIES OF OBSERVED ISSUES RESULTING FROM THE CAPACITY AUCTION PROCESS**

B.1. **ISSUE LOG 16**

Issue ID	Affected auction(s)	Issue status	Compliance status
016	2027/2028 T-4 Capacity Auction	Closed	Non-compliant
Summary			
<p>The SOs did not include the <i>'final Capacity Auction Threshold for the Capacity Auction'</i> in the Final Auction Information Pack, as is required under CMC F.5.1.3.</p>			
Description of Issue			
<p>As per CMC F.5.1.2, the SOs are required to publish a Final Auction Information Pack (FAIP) for each Capacity Auction that includes the items listed under CMC F.5.1.3.</p> <p>In the FAIP for the 2027/2028 T-4 Capacity Auction, published on 6th October 2023, the SOs did not include F.5.1.3 (q), <i>'the final Capacity Auction Threshold for the Capacity Auction'</i>, as is required.</p> <p>The SOs informed the Monitor that the parameters listed in F.5.1.3 are consulted upon by the RAs prior to the publication of the Initial Auction Information Pack (IAIP). The RAs did not consult on the Final Capacity Aggregation Threshold in their 2027/2028 T-4 Parameters Consultation Paper and the value was not included in the Parameters Decision Paper. As the parameter was not consulted upon and no approved value was decided upon, the SOs decided to apply the current approved value set out in the Trading and Settlement Code which is 10 MW. This was included in the IAIP (as the value for the Capacity Aggregation Threshold) and was deemed final.</p>			
Capacity Auction Monitor's Comments			
<p>We consider this to be non-compliance with CMC F.5.1.3, however, we conclude that it had no impact on the auction.</p> <p>We also note that the Capacity Auction Threshold listed under F.5.1.3 is not defined in the CMC and is not listed as a requirement for inclusion in the IAIP. Under CMC D.3.1.2, the SOs are required to include a Capacity Aggregation Threshold for the Capacity Auction, as determined by the RAs, in the IAIP, which the SOs did. The SOs response indicates that they consider that the value for the Capacity Aggregation Threshold listed in the IAIP corresponds to the Capacity Auction Threshold required for the FAIP.</p> <p>We recommend that the CMC be updated to clarify if the Capacity Auction Threshold referred to in CMC.F.5.1.3 is the same as the Capacity Aggregation Threshold mentioned in CMC D.3.1.2, or alternatively, define the Capacity Auction Threshold in the CMC.</p>			

B.2. ISSUE LOG 17

Issue ID	Affected auction(s)	Issue status	Compliance status
017	2027/2028 T-4 Capacity Auction	Closed	Non-compliant

Summary

The Initial Capacity Existing (ICE) for one generator unit in the FQRs is not equal to the value submitted by the Participant in the Application for Qualification (AfQ) The Initial Capacity New (ICN) for two generator units in the FQRs is also not equal to the values submitted by the Participant in the AfQ.

This issue was identified for [X] generator units at the PQR stage - in Issue Log 015 of the Monitor's report on the 2027/28 T-4 Qualification Process. These errors were not corrected for the three affected units. In addition, no amend code was provided to explain changes made between the PQR and FQR stage.

Description of Issue

CMC Paragraph E.8.1.1 states that the value for ICE and Total Initial Capacity (ICT) (and implicitly the ICN) shall be determined by the SOs as the value submitted in the AfQ, unless E.8.1.2 applies.

E.8.1.2 stated that if the SOs consider that the value determined under E.8.1.1 is:

- inconsistent with a connection agreement or offer; or
- in the case of Existing Capacity, is inconsistent with the Registered Capacity, DSU Capacity, or Effective import capacity; or
- the AQP is applied,

then the SO shall determine the value of the ICE or ICT.

In addition, E.9.4.2(c) states that the SOs must correct any error in the PQRs which they become aware of before publishing the FQRs.

Existing Initial Capacity (ICE)

For the following unit, marked as accepted, the ICE in the revised PQRs is not equal to the ICE submitted by the Participant, but no amend code was issued for this unit. This unit also did not have the AQP process applied.

	ICE in AfQ (SOs workings)	ICE in revised PQRs
[X]	[X]	[X]

We note that this unit has an "Accepted" flag, however the SOs noted that this specific generator was not included in the GASOA agreement, and therefore this unit has been incorrectly accepted. In information submitted by the SOs to the Monitor explaining differences between provisional PQRs and revised PQRs, the SOs explained that this unit should be marked as "not participating". However, this unit still has an "Accepted" flag in the FQRs.

New Initial Capacity (ICN)

For the following two units, marked as accepted, the ICN in the revised PQRs is not equal to the ICN submitted by the Participant, but no amend codes have been issued. These units also did not have the AQP process applied.

	ICN in AfQ (SO workings)	ICN in revised PQRs
[X]	[X]	[X]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The SOs were notified of these errors before publication of the FQRs through Issue Log 015 from the Qualification Report. Issue Log 015 detailed that the ICE issue affected one unit and the ICN issue affected [REDACTED] units, including the units listed above.

The SOs response to Issue Log 015 noted that any issues would be amended prior to the submission of the FQRs to the RAs. However, the errors have not been amended for the three units listed above so this constitutes non-compliance with E.9.4.2(c).

Capacity Auction Monitor's Comments

We consider this to be non-compliant with paragraph E.8.1.2, E.8.1.1 (as it refers to E.8.1.2) and E.9.4.2(c).

The issues identified with [REDACTED] relate only to the reporting of Initial Capacity and had no impact on the auction. The two units have previously Awarded Capacity and their Net De-rated Capacity (New) for this auction is zero.

The issue relating to the accepted flag for the [REDACTED] site within [REDACTED] has no impact on the auction as this unit has no capacity associated with it.

B.3. ISSUE LOG 18

Issue ID	Affected auction(s)	Issue status	Compliance status
018	2027/2028 T-4 Capacity Auction	Closed	Non-compliant

Summary

In the FQRs, three Generator Units based in Ireland had Offer Price Caps in pounds instead of euros. There were also two Generator Units that had Unit Specific Price Caps approved by the RAs that were not accurately captured in the FQRs. These errors were corrected before the impacted units submitted bids so there was no impact on the Auction.

Description of Issue

CMC paragraph E.9.4.1 sets out that the Final Qualification Decisions shall specify for each Capacity Market Unit: i) its final SO Qualification Decisions; and ii) the Other Qualification Decisions. The applicable Offer Price Cap(s) form part of the "Other Qualification Decisions" under E.9.1.2. Some of the Offer Price Caps that the SOs reported in the FQRs were not correct.

CMC paragraph E.8.7.3 specifies that an Offer Price Cap shall be specified in the currency of the Currency Zone in which the Capacity Market Unit is connected. There are three Generator Units for which this was not accurate in the FQRs. These three units are located in Ireland, according to their assigned Locational Capacity Constraint area, but had the Offer Price Cap specified in pounds (£) rather than euros (€). This impacted both the Existing Capacity Price Cap and New Capacity Price Cap as shown in the table below:

CMU ID	Existing Capacity Price Cap	New Capacity Price Cap
[X]	£50,284.62	£150,852.95
[X]	£50,284.62	£150,852.95
[X]	£50,284.62	£150,852.95

Given these units are located in Ireland, the Existing Capacity Price Cap should be €54,586 and the New Capacity Price Cap should be €163,757 for each unit, as per the euro values provided in the Final Auction Information Pack.

We consider this to be non-compliant with CMC E.8.7.3 and E.9.4.1, although we note that the SOs corrected this issue before any bids were submitted by any of the CMUs listed above; therefore there was no impact on the auction.

CMC Paragraph E.8.7.1(c) states *the Offer Price Cap for other Existing Capacity shall be:*

- i) *if the Regulatory Authorities have approved a Unit Specific Price Cap for all of the Existing Capacity associated with the Capacity Market Unit, the approved Unit Specific Price Cap;*
- ii) *if the Regulatory Authorities have approved a Unit Specific Price Cap for Existing Capacity associated with the Capacity Market Unit beyond a specified Unit Specific Offer Price Cap Breakpoint, the Existing Capacity Price Cap for such capacity offered up to (and including) that Unit Specific Offer Price Cap Breakpoint and the approved Unit Specific Price Cap for such capacity offered beyond that Unit Specific Offer Price Cap Breakpoint; or*
- iii) *otherwise, the Existing Capacity Price Cap, provided that, in the case of Existing Capacity associated with an Autoproducer Unit where the Autoproducer Demand Reduction Volume for the relevant Autoproducer Site is not zero, the Offer Price Cap for capacity offered beyond the Autoproducer Offer Price Cap Breakpoint shall be the Auction Price Cap.*

For the T-4 2027/28 auction, the SEM Committee approved Unit Specific Price Caps for [X] units. This was confirmed in an email by the RAs to the SOs on Thursday 5th October 2023. However, the values in the FQRs did

not reflect these USPC applications, and a mix of blank and incorrect Existing Capacity Price Cap values were included.

[X]

For [X] CMUs, the FQRs displayed an Existing Capacity Price Cap of €54,586 (i.e. the Existing Capacity Price Cap for units based in Ireland without a Unit Specific Price Cap), while the other [X] GUs did not have any Existing Capacity Price Cap shown in the FQRs.

The SOs have informed the Monitor that all units awarded a USPC should have a blank/dash showing in the Existing Capacity Price Cap column in the FQRs as the USPCs are reflected elsewhere in the CMP. These values were not blank for [X] units in the FQRs and contained incorrect values. We note the [X] affected units were granted USPCs for the first time, while those who were granted USPCs in previous auctions displayed as blank.

We consider this to be non-compliant with CMC E.8.7.1(c) and E.9.4.1, although we note that the SOs corrected this issue before any bids were submitted by any of the CMUs listed above; therefore there was no impact on the auction.

Capacity Auction Monitor's Comments

We consider this to be non-compliant with CMC paragraphs E.8.7.1(c), E.7.8.3 and E.9.4.1. These issues were corrected before any bids were submitted by these affected units, therefore we conclude it has had no impact on the auction.

B.5. ISSUE LOG 19

Issue ID	Affected auction(s)	Issue status	Compliance status
019	2027/2028 T-4 Capacity Auction	Closed	Non-compliant

Summary

Section E.7.8 of the CMC outlines the Alternative Qualification Process (AQP) which the SOs are to apply under certain circumstances. In the FQRs, the SOs have applied this process in some instances not in accordance with E.7.8.2.

The majority of CMUs identified in this issue log were previously brought to the SOs' attention – in Issue Log 012 of the Monitor's report on the 2027/28 T-4 Qualification Process. CMC E.9.4.2 requires the SOs to correct such PQR issues for the issuance of FQRs but did not do so in this case.

Description of Issue

CMC E.7.8.2 outlines the requirements the SOs should follow when they are using the AQP to determine Qualification Decisions. In the remainder of this Issue Log, we highlight several Qualification Decisions that are non-compliant with the requirements of E.7.8.2 (specifically parts d and j of this CMC paragraph).

CMC E.7.8.2 (d)(i) requires the SOs to, when applying the AQP, qualify CMUs only in respect of Existing Capacity. When calculating Existing Capacity, E.8.1.2 states that if the SOs are applying the AQP, the value of Initial Capacity (Existing) shall be determined using the approach set out in Section C.3.

The SOs did not determine Initial Capacity values that were compliant with Section C.3 for the below Generator Units that had the AQP applied, as required under E.8.1.2.

CMC C.3.2.1 (a) (i) states that for a Generator Unit, other than an Aggregated Generator Unit, Autoproducer Unit, or Demand Side Unit, that is the only Generator Unit at a single Connection point, the Initial Capacity (Existing) is the lesser of Registered Capacity (RC) and the Maximum Export Capacity (MEC).

For the below Generator Units, that had the AQP applied, the SOs have not set the Initial Capacity (Existing) to equal the lesser of the two. The given Registered Capacity and Maximum Export Capacity values were provided by the SOs to the Monitor. The lesser of the two is shaded in orange for ease of reference. All issues in the table below were flagged at the PQR stage with the exception of [X] which was not flagged as having the AQP process applied at the PQR stage.

Generator Unit ID	Initial Capacity (Existing) (FQRs)	Registered Capacity (SOs)	Maximum Export Capacity (SOs)
Flagged in Monitor's report on the 2027/28 T-4 Qualification Process			
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
New issues identified at the FQD stage			
[X]	[X]	[X]	[X]

CMC E.7.8.2 (d)(ii) requires the SOs to, when applying the AQP, qualify CMUs only in respect of New Capacity to the extent that it is Awarded New Capacity in a prior Capacity Auction. However, this is not the case for the below Generator Units, which do not have a Gross De-Rated Capacity (New) equal to Awarded New Capacity.

Generator Unit ID	Initial Capacity - New	Gross De-Rated Capacity - New	Awarded New Capacity
Flagged in Monitor's report on the 2027/28 T-4 Qualification Process			
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
New issues identified at the FQD stage			
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

At the PQR stage, we highlighted that the below units also had the AQP applied, and do not have a Gross De-Rated Capacity (New) equal to Awarded New Capacity. The SOs explained that for these units, different de-rating factors apply for the current capacity year, and as such, in order to set Gross de-rated capacity equal to Awarded capacity (New), the SOs would have to artificially increase initial capacity, which would violate other areas of the code. We note that this issue may be avoided with a modification to the CMC.

However, we note that the same issue exists for these units at the FQR stage.

Generator Unit ID	Initial Capacity - New	Gross De-Rated Capacity - New	Awarded New Capacity
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

CMC E.7.8.2 (g) requires the SOs to, when applying the AQP, determine the Gross De-Rated Capacity (New) using methodology set out in sections E.8.2 and E.8.3 except that, in substitution for the value(s) of the Gross De-Rated Capacity (Existing) nominated in the Application for Qualification, they shall use the value determined under paragraph (e) and in substitution for the value of Gross De-Rated Capacity (New) nominated in the Application for Qualification they shall use the product of:

- the applicable Initial Capacity (Total) as determined under section E.8.1; and
- (the De-Rating Factor applicable to that Initial Capacity (Total) (without applying any tolerance) and Initial Maximum On Time (Total) and Initial Annual Run Hour Limit (Total), as applicable, less the Gross De-Rated Capacity (Existing) determined under sub-paragraph (e).

For the below Generator Units, the value of Gross De-Rated Capacity (New) in the FQRs does not align with the values calculated through the application of the formula outlined in CMC E.7.8.2 (g) alongside the methodology set out in sections E.8.2 and E.8.3.

Generator Unit ID	Initial Capacity (New)	New Gross De-Rated Capacity	Calculated as per CMC E.7.8.2 (g)
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
New issues identified at the FQD stage			
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

CMC E.7.8.2 (j) requires the SOs to, when applying the AQP, set the Offer Price Cap for Existing Capacity as the Existing Capacity Price Cap, which is €54,586.00/£50,284.62 (as per the Initial Auction Information Pack). This has not been used for the below Generator Units.

Generator Unit ID	Existing Price Cap (FQDs)
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process	
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
New issues identified at the FQD stage	
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]
[X]	[X]

Capacity Auction Monitor’s Comments

We consider this to be non-compliant with paragraph E.8.7.1(a) and E.8.7.1(c).
 We have noted this issue in our Qualification Report for this auction and have noted similar issues in previous qualification and auction processes. We do not believe this to have had an impact on the auction.
 We recommend that the CMC and/or the SOs reporting are reviewed to be aligned such that this issue does not occur in future processes.

B.6. ISSUE LOG 21

Issue ID	Affected auction(s)	Issue status	Compliance status
021	2027/2028 T-4 Capacity Auction	Closed	Non-Compliant
Summary			
There were a number of changes between Provisional Qualification Decisions and Final Qualification Decisions, for which the reasons were not explained to Participants through the FQRs, as is required by CMC E.9.4.11.			
Description of Issue			
<p>Originally, the PQRs were notified to Participants on 26th June 2023.</p> <p>The SOs identified a number of issues in these PQRs, and amended a number of these errors and issued the Monitor with a revised set of PQRs. Following this, the FQRs were then published on 6th October 2023.</p> <p>E.9.4.11 states that <i>where a Final Qualification Decision has changed relative to the relevant provisional SO Qualification Decision (if applicable), the System Operators shall include in the notification under paragraph E.9.4.9 both the provisional and final decision or value, so as to identify to the Participant what has changed.</i></p> <p>For compliance with E.9.4.11, the SOs usually provide a notification to Participants in the form of a “Qualification Note”, so we have checked for changes between original PQRs and revised PQRs, and then again between revised PQRs and final FQRs. The Monitor undertook this check at a Generator Unit level, but for the sake of brevity, the below tables list units at affected Generator Units at a CMU level.</p> <p>Between PQRs and revised PQRs, there were changes to values for the following units that were not accompanied by a notification alongside E.9.4.9, in the form of a Qualification note. Through discussions with the SOs we understand the SOs may have communicated some of these changes to the affected Participants via email separately outside of the notification of E.9.4.9.</p>			
CMUs with changes not accompanied with a Qualification note			
[X]			
Between revised PQRs and FQRs, there were changes to values for the following units that were not accompanied by a Qualification note.			
CMUs with changes not accompanied with a Qualification note			
[X]			
The SOs explained that many of these units would have raised queries, either through the mailbox or through the formal Application for Review process. There are some existing units whereby, although a Qualification note was not provided, any changes made by the SO would have been expected by the Participants as the changes would have reflected the information already recorded in the market.			
Capacity Auction Monitor’s Comments			
<p>We consider this to be non-compliant with E.9.4.11.</p> <p>Although communication of the changes is important for the Participants, both for clarity and understanding, the Monitor did not consider any instances where the lack of communication regarding the above changes would have had an impact on the auction.</p>			

B.7. ISSUE LOG 22

Issue ID	Affected auction(s)	Issue status	Compliance status
022	2027/2028 T-4 Capacity Auction	Closed	Non-Compliant
Summary			
<p>CMC F.4.1.4 requires the SOs to make a determination under paragraph F.4.1.1 based on the Provisional Qualification Decisions (PQDs) and submit those values to the RAs no later than two Working Days after the PQR date.</p> <p>The SOs did not make a determination under CMC F.4.1.1 at the PQR stage which we consider to be non-compliant with CMC F.4.1.4.</p>			
Description of Issue			
<p>CMC F.4.1.4 requires the SOs to make a determination of the requirements under paragraph CMC F.4.1.1 for each LCC area based on the PQRs and to submit those values to the RAs no later than two Working Days after the PQR date.</p> <p>The SOs did not make a determination under paragraph CMC F.4.1.1 at this stage.</p>			
Capacity Auction Monitor's Comments			
<p>Based on discussions with the SOs, we understand that the LCCs were not deemed certain at the PQR stage and that discussions between the SOs and the RAs regarding the determination of CMC F.4.1.1 (g) were still ongoing. As such, the SOs determined that they were not in a position to submit the requirements under CMC F.4.1.1 at this stage.</p> <p>We consider this to be non-compliance under CMC F.4.1.4.</p> <p>We do not consider this to have had an impact on the auction results.</p>			

B.8. ISSUE LOG 24

Issue ID	Affected auction(s)	Issue status	Compliance status
024	2027/2028 T-4 Capacity Auction	Closed	Non-Compliant

Summary

CMC Section C.3 sets out the approach to calculating Initial Capacity. For several CMUs, the value of Initial Capacity in the FQRs does not align with the values calculated through the application of the formula outlined in this section of the CMC.

The majority of CMUs identified in this issue log were previously brought to the SOs attention – in Issue Log 005 of the Monitor’s report on the 2027/28 T-4 Qualification process. CMC E.9.4.2 requires the SOs to correct such PQR issues for the issuance of FQRs, but did not do so in this case.

Description of Issue

CMC C.3.2.1 (a) (i) states that for a Generator Unit, other than an Aggregated Generator Unit (AGU), Autoproducer Unit, or Demand Side Unit, that is the only Generator Unit at a single Connection point, the Initial Capacity (Existing) is the lesser of Registered Capacity (RC) and the Maximum Export Capacity (MEC).

For the below Generator Units, the SOs have not set the Initial Capacity (Existing) to equal the lesser of the two. The given Registered Capacity and Maximum Export Capacity values were provided by the SOs to the Monitor. The lesser of the two is shaded in orange in each row for ease of reference.

Generator Unit ID	Accepted flag (revised PQRs)	Registered Capacity (SOs)	Maximum Export Capacity (SOs)	Initial Capacity (Existing) (FQRs)
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process				
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
New issues identified at FQR stage				
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]

The following unit has been noted as “New Capacity not yet registered in the Balancing Market”, however this unit has no new capacity, just [X]MWs of existing capacity. Therefore we would anticipate it to have values for Registered Capacity (RC) and the Maximum Export Capacity (MEC). This was also raised in the Qualification Report.

Generator Unit ID	Accepted flag (revised PQRs)	Registered Capacity (SOs)	Maximum Export Capacity (SOs)	Initial Capacity (Existing) (revised PQRs)
[X]	Yes	New Capacity not yet registered in Balancing Market	New Capacity not yet registered in Balancing Market	[X]

CMC C.3.2.1 (a) (ii) states that for a Generator Unit, other than an Aggregated Generator Unit, Autoproducer Unit, or Demand Side Unit, that is one of multiple Generator Units Connected at a single Connection Point, the Initial Capacity (Existing):

- A. does not exceed the Generator Unit’s RC; and
- B. when summed with the equivalent value across all Generator Units Connected at that Connection Point is equal to the lesser of:
 - i. the total RC of all the Generator Units Connected at that Connection Point; and
 - ii. the MEC.

For the below Generator Units, the Initial Capacity (Existing) is not less than, or equal to, the Generator Unit’s RC, as per C.3.2.1 (a) (ii) (A).

Generator Unit ID	Multi-Unit Connection Point	Initial Capacity (Existing) (FQRs)	Registered Capacity (SOs)
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process			
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

For the below Generator Units, the Initial Capacity (Existing) has been summed across all Generator Units connected at the same connection point (A). As shown in the table below, this is not the lesser of the sum of the RC of all Generator Units at that connection point (B) and the MEC of the connection point (C), as required by C.3.2.1 (a) (ii) (B).

The lesser of the two is shaded in orange in each row for ease of reference.

Generator Unit ID	Multi-Unit Connection Point	Initial Capacity (Existing) (FQRs) of the Generator Unit	A) Sum of Initial Capacity (Existing) at Connection Point (Calc)	B) Sum of Registered Capacity at Connection Point (Calc)	C) MEC (Connection Point) (SOs)
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process					
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]

[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]

CMC C.3.2.3 states that for a Generator Unit that is part of an AGU, the Initial Capacity (Existing) shall be its contribution to the Registered Capacity of the AGU. For the three AGUs listed in the below table, the sum of Initial Capacity (Existing) of the individual Generators does not equal the RC of the AGU. This implies that the Initial Capacity (Existing) for the Generators that make up these AGUs does not equal their contribution to the AGU's RC.

Generator Unit ID	Generator ID	Existing Initial Capacity (FQRs) Generator Unit	Sum of Initial Capacity (Existing) (FQRs)	Registered Capacity (SOs)
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process				
[X]	AGU level		[X]	[X]
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		
[X]	[X]	[X]		

[X]	AGU level	[X]	[X]
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	
[X]	[X]	[X]	

CMC E.8.1.2 states that:

“If the System Operators:

- (a) consider that a value determined under paragraph E.8.1.1 is inconsistent with the applicable Connection Agreement(s) or Connection Offer(s) (or, in the case of a Demand Side Unit, the unit’s DSU MW Capacity or expected DSU MW Capacity);*
- (b) consider that a value determined under paragraph E.8.1.1 in respect of Existing Capacity is inconsistent with the Registered Capacity, DSU MW Capacity or Effective Import Capacity of the relevant Generator Unit or Interconnector (or Generator contributing to an Aggregated Generator Unit) (as applicable); or*
- (c) are applying the Alternative Qualification Process,*
then:
- (d) the System Operators shall determine the value of the Initial Capacity (Existing) and the Initial Capacity (Total) for the relevant Generator Unit or Interconnector (or a Generator contributing to an Aggregated Generator Unit) using the approach set out in section C.3 (as applicable) (but as modified in accordance with section C.3.5); and*
- (e) the values so determined shall be used for the purposes of all calculations under this Code.”*

The SOs did not determine Initial Capacity values that were compliant for the above AGU and its Generators under E.8.1.2 part (d) above.

CMC C.3.5.1 highlights that the SOs should use the approach set out in section C.3.2 when calculating Initial Capacity.

Capacity Auction Monitor’s Comments

We consider this to be non-compliance with CMC C.3.2.1, C.3.2.3, C.3.5.1, and E.8.1.2.

B.9. ISSUE LOG 25

Issue ID	Affected auction(s)	Issue status	Compliance status
025	2027/2028 T-4 Capacity Auction	Closed	Non-compliant
Summary			
<p>CMC Section E.8.2 sets out the approach to calculating Gross De-Rated Capacity (Existing). For some Generator Units, the value of Gross De-Rated Capacity (Existing) in the FQRs does not align with the values calculated through the application of the formula outlined in this section of the CMC.</p> <p>The majority of CMUs identified in this issue log were previously brought to the SOs attention – in Issue Log 007 of the Monitor’s report on the 2027/28 T-4 Qualification process. CMC E.9.4.2 requires the SOs to correct such PQR issues for the issuance of FQRs but did not do so in this case.</p>			
Description of Issue			
<p>CMC E.8.2.1 outlines the formula to be used in calculating the Gross De-Rated Capacity (Existing) of a Generator Unit (other than an Aggregated Generator Unit) which is a not Variable Generator Unit.</p> <p>For the below Generator Units, the Gross De-Rated Capacity (Existing) does not align with the value calculated by the Monitor, as per the formula in CMC E.8.2.1 using components from the PQRs and Participants’ Application for Qualification (AfQ).</p>			
Generator Unit ID	Existing Gross De-Rated Capacity (revised PQRs)	Existing Gross De-Rated Capacity (FQRs)	Calculated as per CMC E.8.2.1
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process			
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
New issues identified at FQR stage			
[X]	[X]	[X]	[X]
Capacity Auction Monitor’s Comments			
We consider this to be non-compliance with CMC E.8.2.1 and E.9.4.2.			

B.10. ISSUE LOG 26

Issue ID	Affected auction(s)	Issue status	Compliance status
026	2027/2028 T-4 Capacity Auction	Closed	Non-compliant

Summary

CMC Section E.8.2 sets out the approach to calculating Gross De-Rated Capacity (New). For several Generator Units, the value of Gross De-Rated Capacity (New) in the FQRs does not align with the values calculated through the application of the formula outlined in this section of the CMC.

The majority of CMUs identified in this issue log were previously brought to the SOs attention – in Issue Log 008 of the Monitor’s report on the 2027/28 T-4 Qualification process. CMC E.9.4.2 requires the SOs to correct such PQR issues for the issuance of FQRs but did not do so in this case.

Description of Issue

CMC E.8.2.4 outlines the formula to be used in calculating the Gross De-Rated Capacity (New) of a Generator Unit (other than an Aggregated Generator Unit) which is not a Variable Generator Unit.

For the below Generator Units, the Gross De-Rated Capacity (New) does not align with the value calculated by the Monitor, as per the formula in CMC E.8.2.4 using components from the FQRs and Participants Application for Qualification.

Generator Unit ID	New Gross De-Rated Capacity (FQRs)	Calculated as per CMC E.8.2.4
Flagged in Monitor’s report on the 2027/28 T-4 Qualification Process		
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
New issues identified at FQR stage		
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]
[✂]	[✂]	[✂]

CMC E.8.2.5 outlines the formula to be used in calculating the Gross De-Rated Capacity (New) of a Generator Unit (other than an Aggregated Generator Unit) which is a Variable Generator Unit.

For the below Generator Units, the Gross De-Rated Capacity (New) does not align with the value calculated by the Monitor, as per the formula in CMC E.8.2.5 using components from the FQRs and Participants' Application for Qualification (AfQ).

Generator Unit ID	New Gross De-Rated Capacity (FQRs)	Calculated as per CMC E.8.2.5
Flagged in Monitor's report on the 2027/28 T-4 Qualification Process		
[X]	[X]	[X]
[X]	[X]	[X]
New issues identified at FQR stage		
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]

Capacity Auction Monitor's Comments

We consider this to be non-compliance with CMC E.8.2.4 and E.8.2.5, and E.9.4.2.

B.11. ISSUE LOG 27

Issue ID	Affected auction(s)	Issue status	Compliance status
027	2027/2028 T-4 Capacity Auction	Closed	Non-compliant

Summary

CMC Sections E.8.2.7 and E.8.2.8 provide the formulas to be used in the determination of Gross De-Rated Capacity (Existing) and Gross De-Rated Capacity (New) of Aggregated Generator Units.

For several Aggregated Generator Units, the Gross De-Rated Capacity values within the FQRs do not align with the values calculated through the application of the formulas outlined in this section.

The majority of CMUs identified in this issue log were previously brought to the SOs attention – in Issue Log 010 of the Monitor’s report on the 2027/28 T-4 Qualification process. CMC E.9.4.2 requires the SOs to correct such PQR issues for the issuance of FQRs but did not do so in this case.

Description of Issue

CMC E.8.2.7 outlines the formula to be used in calculating the Gross De-Rated Capacity (Existing) of an Aggregated Generator Unit.

For the below Generator Unit, the Gross De-Rated Capacity (Existing) does not align with the value calculated by the Monitor, as per the formula in CMC E.8.2.7 using components from the PQRs and Participants’ Application for Qualification (AfQ).

Generator Unit ID	New Gross De-Rated Capacity (FQRs)	Calculated as per CMC E.8.2.7
[X]	[X]	[X]

CMC E.8.2.8 outlines the formula to be used in calculating the Gross De-Rated Capacity (New) of an Aggregated Generator Unit.

For the below Generator Units, the Gross De-Rated Capacity (New) does not align with the value calculated by the Monitor, as per the formula in CMC E.8.2.8 using components from the PQRs and Participants’ Application for Qualification (AfQ).

Generator Unit ID	New Gross De-Rated Capacity (FQRs)	Calculated as per CMC E.8.2.8
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]

Capacity Auction Monitor’s Comments

We consider this to be non-compliance with CMC E.8.2.7, E.8.2.8 and E.9.4.2.

B.12. ISSUE LOG 28

Issue ID	Affected auction(s)	Issue status	Compliance status
028	2027/2028 T-4 Capacity Auction	Closed	Non-Compliant
Summary			
<p>CMC E.9.3.3 and E.9.3.5 describe the procedures which must be undertaken by the System Operators in responding to Participants' Applications for Review. In several cases, either the application was incorrectly accepted, or the System Operators did not respond by the date specified in the Capacity Auction Timetable.</p>			
Description of Issue			
<p>CMC E.9.3.3 states that if an Application for Review does not meet the requirements under CMC E.9.3.2, then the System Operators must reject it within the prescribed timeframe and provide reasons. These requirements are that the Application for Review must contain:</p> <ul style="list-style-type: none"> • a concise statement identifying the Reviewable Decision concerned; • a concise statement of the reasons, explaining how the Participant believes the System Operators have not followed the process under the Code in making the Reviewable Decision; and • a copy of any relevant documents which the Participant believes support its position. <p>The Application for Review submitted by [X] for units [X] did not contain a concise statement of the reasons under CMC E.9.3.2(b). Whilst further information was attached to the submission, this is not referenced. The SOs did not reject this application under E.9.3.3.</p> <p>CMC E.9.3.5 states that the System Operators shall reconsider the Reviewable Decision which is the subject of the Application for Review and notify the Participant of the outcome within the prescribed timeframe.</p> <p>As described in the Capacity Auction Timetable, the date the System Operators were to notify Participants of the outcome of their applications was the 13th July 2023. All decisions were sent out one working day later, on the 14th July 2023.</p>			
Capacity Auction Monitor's Comments			
<p>We consider this to be non-compliance with CMC E.9.3.3 and E.9.3.5 but conclude that it had no impact on the Auction.</p>			

B.14. ISSUE LOG 29

Issue ID	Affected auction(s)	Issue status	Compliance status
029	2027/2028 T-4 Capacity Auction	Closed	Non-Compliant

Summary

CMC E.8.2.2 sets out a formula for how the SOs should determine the Gross De-Rated Capacity (Existing) (GDRCE) of a Variable Generator Unit which is not an Aggregated Generator Unit.

We have identified six instances where the GDRCE calculated as per the formula set out in this code differs from the values included in the Final Qualification Decisions (FQDs) to three decimal places. We consider this to be non-compliance under CMC E.8.2.2.

Description of Issue

CMC E.8.2.2 sets out that the SOs should determine the GDRC (Existing) of a Variable Generator Unit which is not an Aggregated Generator Unit based on the following formula:

$$GDRCE = \text{MIN} [DRFE \times ICE \times (1 + INCTOL), NDRVE]$$

Where:

- GDRCE = Gross De-Rated Capacity (Existing).
- DRFE = Marginal De-Rating Factor applicable to the Technology Class.
- ICE = Initial Capacity Total.
- INCTOL = Percentage Increase Tolerance applicable to the Tolerance Class of the Generator Unit or Interconnector as specified in the Initial Auction Information Pack.

We have identified six instances where the GDRCE that is included in the FQDs does not align with the value calculated as per the formula set out above. We show each Generator Unit in the table below.

CMU ID	Generator Unit ID	Unit Type (FQDs)	GDRCE (FQDs)	GDRCE (calculated by Monitor using the formula set out by CMC E.2.2.2)
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]

Capacity Auction Monitor's Comments

We consider this to be non-compliance under CMC E.8.2.2.



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